

Rep. Israel and his Jobs Advisory Panel surveyed Long Island businesses to generate ideas on how to spur job creation; new legislation will create Jobs Creation Tax Credit

Islandia, NY– On Tuesday, Rep. Steve Israel (D-Huntington) joined with Long Island business leaders to announce a proposal for a new job creation tax credit. Rep. Israel worked with a team of local business leaders to generate ideas and survey Long Island businesses. The top idea from the survey was for a new tax credit to incentivize hiring.

“We’ve lost 8 million jobs since the start of this recession. Here in Suffolk County more than 57,000 people are unemployed. That’s why I’ve been reaching out to our small businesses and asking them what they think we need to do to create new jobs,” said Rep. Israel. “The number one idea I’ve heard is that we need to incentivize hiring. That’s why I’m announcing a new proposal for a job creation tax credit to offset the payroll costs of new employees. According to estimates, this could create up to 4.7 million jobs over two years.”

"In my direct dealings with Steve he has demonstrated support of the issues facing small businesses on Long Island. Now, in this economic climate, it will be the small businesses that effect positive change if we continue to get support. Steve's survey initiative to get direct feedback from small business owners is a clear example of strong leadership, and my role will be to continue this forum of discussion as the liaison between small businesses and those making the decisions in DC regarding our future," said Anne Shybunko-Moore, President of GSE Dynamics and a member of Rep. Israel's Jobs Advisory Panel.

A tax credit to incentivize hiring was included on a list of ideas generated by the Jobs Advisory Panel and included on the survey of Long Island businesses.

Rep. Israel's proposal would create a tax credit for private-sector and non-profit employers that hire new employees and expand hours or salary for existing ones. Under this proposal the government covers a portion of the expanded payroll costs of a new employee – 15% in the first year and 10% in the second year. Such a phase-out would give firms an incentive to hire new employees sooner rather than later, and ends as the economy recovers.

The credit would be based on payroll expansions in the social security taxes paid by employers, making it easy to administer with just a few additions to the report that companies file every quarter. Proponents of a job creation tax credit estimate that it could create as many as 4.7 million jobs over 2 years.

Rep. Israel will work on the proposal as Congress considers jobs legislation in the coming weeks.

Rep. Israel Joins with Long Island Business Leaders to Announce New Jobs Plan

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Rep. Israel serves on the House Appropriations Committee.